

Number of ginned cotton bales means the number of ginned running bales of cotton based on individual bale weights unadjusted to a uniform bale weight.

Running bale means a bale of cotton lint that has a minimum weight of 425 pounds and is not a bale of motes, linters, gin waste, or other gin byproduct.

Ton means a unit of weight equal to 2,000 pounds avoirdupois (907.18 kilograms).

§ 1427.1103 Eligible cottonseed.

To be eligible for payments under this subpart, cottonseed must:

(a) Have been grown in the United States during the 2002-crop production period.

(b) Have been ginned by the applicant from 2002-crop cotton.

(c) Not have been destroyed or damaged by fire, flood, or other events such that its loss or damage was compensated by other local, State, or Federal government or private or public insurance or disaster relief payments.

§ 1427.1104 Eligible first handlers.

(a) For the purpose of this subpart, an eligible first handler of cottonseed shall be a gin that ginned 2002-crop cotton.

(b) Applicants must comply with the terms and conditions set forth in this subpart and instructions issued by CCC, and sign and submit an accurate, legible and complete Cottonseed Payment Program Application and Certification.

(c) Applicants signing the cottonseed payment application or receiving payment under this subpart must share any payment with the producer of the cotton that was the basis of the cottonseed payment to the extent that the effect of low cottonseed prices was borne by the producer rather than the gin. To the extent that such funds will be shared with the producer by the gin, those funds will be considered to have been received by the applicant on behalf of such producers.

§ 1427.1105 Payment application.

(a) Payments in accordance with this subpart shall be made available only to eligible first handlers of cottonseed based on information provided on a

Cottonseed Payment Program Application and Certification.

(b) Payment applications must be received by the program application deadline announced by CCC. Applications received after such application deadline will not be accepted for payment.

(c) Cottonseed Payment Program Application and Certifications may be obtained from the CCC as announced by press release. In order to participate in the cottonseed payment program under this subpart, first handlers of cottonseed must execute and submit to CCC according to announced instructions the Cottonseed Payment Program Application and Certification.

§ 1427.1106 Available funds.

The total available program funds shall be \$50 million for 2002-crop cottonseed.

§ 1427.1107 Applicant payment quantity.

The applicant's payment quantity of cottonseed will be determined by CCC based on the eligible number of ginned cotton bales and the cotton lint weight from those bales as submitted on the Cottonseed Payment Application and Certification and/or obtained by CCC, with the agreement of the applicant, from the Agricultural Marketing Service. The applicant's payment quantity of cottonseed shall be calculated by multiplying:

(a) The applicant's weight of eligible lint for which payment is requested, as approved by CCC, by;

(b) The national Olympic average of estimated pounds of cottonseed per pound of ginned cotton lint, as determined by CCC for the 5 years preceding the 2002 crop year.

§ 1427.1108 Total payment quantity.

The total quantity of 2002-crop cottonseed produced in the United States is potentially eligible for payment under this subpart. The total payment quantity of cottonseed will be the total of eligible quantities of cottonseed for which completed applications for payment are received within the application period announced by CCC. Eligible cottonseed for which no application is